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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 506

BY BUSINESS COMMITTEE

AN ACT

RELATING TO THE STATE ATHLETIC COMMISSION; AMENDING SECTION 54-402, IDAHO CODE, TO REVISE DEFINITIONS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 54-406, IDAHO CODE, TO PROVIDE THE COMMISSION AUTHORITY TO ESTABLISH CERTAIN FEES, TO PROVIDE ADDITIONAL NATIONALLY RECOGNIZED SANCTIONING ASSOCIATIONS, TO PROVIDE REQUIREMENTS FOR CERTAIN PROMOTERS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 54-408, IDAHO CODE, TO REVISE PROVISIONS RELATING TO BOND OR OTHER SECURITY FILED BY PROMOTERS; AMENDING SECTION 54-410, IDAHO CODE, TO REQUIRE A PAYMENT OF FEES FOR THE ISSUANCE OF A LICENSE OR SANCTIONING PERMIT; AMENDING SECTION 54-411, IDAHO CODE, TO REVISE PROVISIONS RELATING TO A STATEMENT AND REPORT OF AN EVENT AND THE PAYMENT OF A TAX TO THE COMMISSION; AMENDING SECTION 54-413, IDAHO CODE, TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 54-419, IDAHO CODE, TO REVISE PROVISIONS RELATING TO AN INACCURATE STATEMENT AND REPORT OF AN EVENT AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 54-420, IDAHO CODE, TO REVISE PROVISIONS RELATING TO PROHIBITIONS AND PENALTIES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 54-402, Idaho Code, be, and the same is hereby amended to read as follows:

- 54-402. DEFINITIONS. (1) The terms used in this chapter have the following meanings:
 - (a) "Amateur combatant" means an individual who has never been a professional combatant, as defined in this chapter, as well as an individual who has never received nor competed for any purse or other article of value, either for participating in or being associated in any way with any contest or exhibition of unarmed combat or for the expenses of training therefor, other than a noncash prize which does not exceed fifty dollars (\$50.00) in value.
 - (b) "Applicant" means any individual, club, association, corporation, partnership, trust or other business entity which submits an application to the commission for a license or permit pursuant to this chapter.
 - (c) "Booking agent" means persons who act as bookers, agents, agencies and representatives who secure engagements and contracts for combatants.
 - (d) "Boxing" means the pugilistic act of attack and defense with the fists, practiced as a sport. The term includes all variations of the sport permitting or using other parts of the human body to deliver blows upon an opponent including, but not limited to, the foot, knee, leg, elbow or head. "Boxing" includes, but is not limited to, kickboxing and martial arts but does not include professional wrestling.

- (e) "Broadcast" means any audio or visual transmission sent by any means of signal within, into or from this state, whether live or taped or time delayed, and includes any replays thereof.
- (f) "Bureau" means the Idaho bureau of occupational licenses.
- (g) "Closed-circuit telecast" means any telecast of contests or exhibitions which is not intended to be available for viewing without the payment of a fee, collected or based upon each telecast viewed, or for the privilege of viewing the telecast.
- (h) "Club" means an incorporated or unincorporated association or body of individuals voluntarily united and acting together for some common or special purpose.
- (i) "College" and "university" means:

- (i) An educational institution of higher learning that typically grants associate's, bachelor's, master's or doctorate degrees;
- (ii) A division or school of a university; and
- (iii) As used in this chapter, also includes educational institutions known as junior colleges, community colleges and professional-technical schools.
- (j) "Combatant" means an individual who takes part as a competitor in a contest or exhibition.
- (k) "Commission" means the state athletic commission.
- (1) "Commissioner" means the state athletic commissioner.
- (m) "Contest" means a match in which the participants strive earnestly in good faith to win.
- (n) "Corner person" means, but shall not be limited to, a trainer, a second or any other individual who attends the combatant during a match.
- (o) "Exhibition" means an engagement in which the participants show or display their skill without necessarily striving to win, such as a wrestling match between professional wrestlers or a contest where combatants are sparring.
- (p) "Judge" means an individual other than a referee who shall have a vote in determining the winner of any contest.
- (q) "Kickboxing" means any form of competitive pugilistic contest or exhibition in which blows are delivered with the hand and any part of the foot.
- (r) "License" means a certificate issued to a person by the commission to participants of sanctioned professional contests and exhibitions or amateur contests and exhibitions which are not exempt from regulation under section 54 406(3), Idaho Code, which that is required for participation the person to conduct, participate in such events or otherwise be associated with sanctioned contests or exhibitions.
- (s) "Licensee" means a person who has been issued a license by the commission.
- (t) "Manager" means a person who controls or administers the affairs of any professional combatant. The term "manager" includes a person acting as a booking agent or a person acting as the representative of a manager.
- (u) "Martial arts" means any form of karate, kung fu, tae kwon do, sumo, judo or any other system or form of combat or self-defense art.

- (v) "Matchmaker" means a person who brings together or induces combatants regulated by the commission to participate in contests or exhibitions regulated by the commission or a person who arranges contests or exhibitions regulated by the commission.
- (w) "Participant" means any person who is required by this chapter to be licensed by the commission in connection with taking part in or being associated with a contest or exhibition regulated by the commission.
- (x) "Person" means any individual, partnership, limited liability company, club, association, corporation, organization, secondary school, college, university, trust or other legal entity.
- (y) "Physician" means an individual licensed under the laws of this state to engage in the general practice of medicine or osteopathic medicine.
- (z) "Professional combatant" means an individual eighteen (18) years of age or older who participates as a competitor in a contest or exhibition for money, prizes or purses, or who teaches, instructs or assists in the practice of unarmed combat or sparring as a means of obtaining pecuniary gain.
- (aa) "Professional contest and professional exhibition" means any contest or exhibition conducted within this state involving professional combatants.
- (bb) "Professional wrestling" means an activity in which combatants struggle hand-to-hand primarily for the purpose of providing entertainment to spectators and which does not comprise a bona fide athletic contest or competition.
- (cc) "Promoter" means any person including an owner, officer, partner, member, director, employee or shareholder thereof, who produces, arranges, or stages or otherwise promotes any contest or exhibition that is not exempt from regulation pursuant to section 54-406(3), Idaho Code.
- (dd) "Pugilistic" means an act related to the skill or practice of fighting with the fists.
- (ee) "Purse" means the financial guarantee or any other remuneration or thing of value for which a person participates in a contest or exhibition.
- (ff) "Ring official" means any individual who performs an official function during the progress of a regulated contest or exhibition including, but not limited to, timekeepers, judges, referees and attending physicians.
- (gg) "Sanctioning permit" means a license issued by the commission, to a promoter which or a permit issued by an approved amateur athletic sanctioning organization, that authorizes the holding of a promoter to promote a single program of contests and exhibitions at a specific venue.
- (hh) "Secondary school" means a school which, for operational purposes, is organized and administered on the basis of grades seven (7) through twelve (12), inclusive, or any combination thereof.
- (ii) "Sparring" means to engage in a form of unarmed combat, such as occurs in a practice or exhibition match.

- (jj) "Trainer" means an individual who assists, coaches or instructs any unarmed combatant with respect to physical conditioning, strategy, techniques or preparation for competition in contests or exhibitions which are not exempt from regulation pursuant to section 54 406(3), Idaho Code.
- (kk) "Unarmed combat" means a fight or contest between individuals or groups without the use of weapons other than the natural appurtenances of the human body.
- (2) To the extent the commission deems pertinent, any specialized term not otherwise defined in this chapter may be defined by rule.
- SECTION 2. That Section 54-406, Idaho Code, be, and the same is hereby amended to read as follows:
- 54-406. DUTIES OF COMMISSION -- SANCTIONING PERMITS -- LICENSING -- EXEMPTIONS -- MEDICAL CERTIFICATION. (1) The commission shall have power, and it shall be its duty, to direct, supervise and control all amateur and professional contests and exhibitions within the state and no such contest or exhibition shall be held or given within this state except in accordance with the provisions of this chapter. The commission has authority to adopt rules to implement the provisions of this chapter and to implement each of the duties and responsibilities conferred upon the commission including, but not limited to:
 - (a) Development of an ethical code of conduct for commissioners, commission staff and commission officials;
 - (b) Facility and safety requirements relating to the ring, floor plan and apron seating, emergency medical equipment and services, and other equipment and services necessary for the conduct of a program of matches;
 - (c) Requirements regarding a participant's apparel, bandages, handwraps, gloves, mouthpiece and appearance during a match;
 - (d) Requirements relating to a manager's participation, presence and conduct during a match;
 - (e) Duties and responsibilities of all licensees under this chapter;
 - (f) Procedures for hearings and resolution of disputes;
 - (q) Qualifications for appointment of referees and judges;
 - (h) Designation and duties of a knockdown timekeeper;
 - (i) Setting fee and reimbursement schedules for referees and other officials appointed by the commission or the representative of the commission; and
 - (j) Establishment of criteria for approval, disapproval, suspension of approval and revocation of approval of amateur sanctioning organizations for amateur contests and exhibitions held in this state including, but not limited to, the health and safety standards the organizations use before, during and after the matches to ensure the health, safety and well-being of the amateur combatants participating in the matches, including the qualifications and numbers of health care personnel required to be present, the qualifications required for referees, and other requirements relating to the health, safety and well-being of the amateur combatants participating in the matches. The commission may adopt by rule, or incorporate by reference into

rule, the health and safety standards of United States amateur boxing, inc., as the minimum health and safety standards for an amateur boxing sanctioning organization, and the health and safety standards of the international amateur kickboxing sport association as the minimum health and safety standards for an amateur kickboxing sanctioning organization; and

- (k) Establish fees to be paid by an amateur athletic sanctioning organization that is approved pursuant to subsection (3) (b) (ii) of this section, which fees shall include:
 - (i) Initial and annual application processing fees of not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000); and
 - (ii) Initial and annual approval fees of not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000).
- (2) The commission may, in its discretion, issue or refuse to issue and for cause immediately revoke <u>any</u> sanctioning permits to conduct, hold or give amateur and professional contests or exhibitions whether or not an admission fee is charged by any person, organization, association or fraternal society. The commission may also, in its discretion, issue or refuse to issue and for cause immediately revoke, or suspend or otherwise sanction discipline licenses for participants of sanctioned contests and exhibitions.
- (3) Specifically exempt from the provisions of this chapter are all contests or exhibitions that:
 - (a) Are contests or exhibitions conducted by any secondary school, college or university, whether public or private, where all the participating contestants are bona fide students enrolled in any secondary school, college or university, within or without this state; or
 - (b) Are entirely contests or exhibitions τ in which all combatants are amateurs and which have been sanctioned as amateur athletic contests or exhibitions by any of the following associations:
 - (i) United States amateur boxing, inc., also known as USA boxing, inc.+,
 - (ii) the aAmateur athletic union of the United States, inc., also known as the national amateur athletic union, the amateur athletic union and the AAU or any similar nationally recognized entity approved by the commission; or
 - (ii±) Any other entity that the commission approves as an officially recognized amateur boxing or other to be an amateur athletic sanctioning authority organization, which approval shall be subject to annual review for purposes of renewal. Notwithstanding any other provision of this chapter, the promoter of any contest or exhibition sanctioned by an organization approved pursuant to this subparagraph shall comply with sections 54-408, 54-411, 54-413, 54-417, 54-419, 54-421 and 54-422, Idaho Code, and the promoter and each participant in such contest or exhibition are subject to sections 54-416, 54-418 and 54-420, Idaho Code, unless specifically exempted by commission rule; or

- (c) Are contests or exhibitions held under the auspices or sanction of an established nonprofit secondary school activities organization or of its public or nonprofit accredited secondary school members, or held under the auspices or sanction of an established college or university activities organization or its public or not-for-profit accredited college or university members; \underline{or}
- (d) Are contests or exhibitions conducted by any military installation or branch of the United States armed forces, or the state national guard, where the participants are employed by the military installation, are members of the branch of the armed forces, or the state national guard unit conducting the contest or exhibition.
- (4) Provided further that every combatant in any contest or exhibition exempt under the provisions of this chapter, prior to engaging in and conducting such contest or exhibition, shall be examined by a licensed physician at least once in each calendar year, or where such contest is conducted by a secondary school, college or university or organization as further described in this section, once in each academic year in which instance the physician shall also designate the maximum and minimum weights at which the combatant shall be medically certified to participate. Provided further that no combatant shall be permitted to participate in any such contest or exhibition in any weight classification other than that or those for which he is certificated. Provided further that the exempted organizations shall be governed by the provisions of section 54-414, Idaho Code, as that section applies to contests or exhibitions conducted by persons exempted in this section from the general provisions of this chapter. No contest or exhibition shall be conducted within this state except pursuant to a license issued in accordance with the provisions of this chapter and the rules of the commission except as hereinabove provided.
- SECTION 3. That Section 54-408, Idaho Code, be, and the same is hereby amended to read as follows:
- 54-408. PROMOTERS -- BOND OR OTHER SECURITY -- MEDICAL INSURANCE. (1) Before any sanctioning permit is issued to any promoter to conduct or hold a contest or exhibition which is not exempt from regulation pursuant to section 54-406(3), Idaho Code and before an approved amateur athletic sanctioning organization sanctions an exempt amateur event, the applicant promoter shall file with the commission a bond or other form of financial security payable to the state of Idaho in an amount determined by the commission, executed by the applicant promoter and a surety company or companies authorized to do business in this state, and conditioned upon the faithful performance by the promoter, which shall include, but not be limited to, the cancellation of a sanctioned contest or exhibition without good cause as determined by the commission once the event has been approved by the commission.
- (2) The bond or other form of financial security required under this section shall guarantee the payment of all taxes, fees, fines and other moneys due and payable pursuant to the provisions of this chapter and the rules of the commission or regulations of an approved amateur athletic sanctioning organization, as applicable, including, but not limited to, the payment of purses to the participants, other than the promoter, any

contributions for required insurance, pensions, disability and medical examinations, the repayment to ticketholders of purchased tickets, and if applicable, the payment of fees to ring officials and physicians and, in the event of the cancellation of a <u>sanctioned</u> contest or exhibition approved by the commission without good cause, an amount determined by the commission.

- (3) After issuance of a sanctioning permit to a promoter, the commission may modify the amount of bond or other form of financial security if the commission determines that modification is required to ensure adequate and sufficient coverage for payment of taxes, fees, fines, purses and other moneys due and payable pursuant to the provisions of this section. Failure of any promoter to secure a modified bond or other form of financial security required pursuant to this subsection within such period of time as the commission may prescribe, shall be grounds for revocation of the commission to revoke any sanctioning permit of such promoter and cancel any contest or exhibition.
- (4) All proceeds collected pursuant to the provisions of this section shall be deposited in the state treasury to the credit of the occupational licenses fund.
- (5) Promoters must obtain health insurance to cover any injuries incurred by participants, other than the promoter, at the time of the event.
- SECTION 4. That Section 54-410, Idaho Code, be, and the same is hereby amended to read as follows:
- 54-410. ISSUANCE OF A LICENSE OR SANCTIONING PERMIT. Upon the approval by the commission of any application for a license or sanctioning permit, as hereinabove provided, and the payment of such fees as determined by the commission and the filing of the bond or other form of financial security, the commission shall forthwith issue such license or sanctioning permit.
- SECTION 5. That Section 54-411, Idaho Code, be, and the same is hereby amended to read as follows:
- STATEMENT AND REPORT OF EVENT -- TAX ON GROSS RECEIPTS. (1) Any promoter as herein provided shall, within seven (7) days prior to the holding of any contest or exhibition, file with the commission a statement setting forth the name of each professional combatant, his manager or managers, the total number of seats and tickets available for the contest or exhibition and such other information as the commission may require. Within seventy two (72) hours after the termination of any contest or exhibition the promoter shall file with the commission representative a gross receipts report, duly verified as the commission may require showing the number of tickets sold for such contest or exhibition, the price charged for such tickets and the gross receipts thereof, and such other and further information as the commission may require. The promoter shall pay to the commission at the time of filing the above report a tax equal to five percent (5%) of the gross receipts for deposit by the commission Unless otherwise provided by commission rule, the promoter shall file such statement at least seven (7) business days before the holding of any contest or exhibition. The promoter shall simultaneously pay a tax to the commission as follows:

- (a) A tax in the amount of one hundred dollars (\$100) per one hundred (100) seats available at the event venue as verified by the promoter to the commission through an occupancy permit or similar documentation acceptable to the commission.
- (b) If the promoter cannot verify to the commission's satisfaction the number of seats available at the venue, then the tax shall be one hundred dollars (\$100) per one hundred (100) tickets made available for the event. The promoter shall limit the number of persons admitted to the event to the number of available tickets that are actually sold, given away or otherwise issued for the event.
- (2) The number of complimentary tickets shall be limited to two percent (2%) of the total tickets sold per event location. All complimentary tickets exceeding this set amount shall be subject to taxation.
 - (3) Gross receipts reports signed under oath shall also include:
 - (a) The name of the promoter;

- (b) The contest or exhibition sanctioning permit number;
- (c) The promoter's business address and any license or sanctioning permit number required of such promoter by law;
- (d) Gross receipts as specified by this section, during the period specified by this section; and
- (e) Such further information as the commission may require to enable it to compute correctly and collect the assessment levied pursuant to this section.
- (4) In addition to the information required on gross receipts reports, the commission may request, and the promoter shall furnish, any information deemed necessary for a correct computation of the assessment levied pursuant to this section.
- $\overline{\mbox{(5)}}$ All levies pursuant to this section shall be collected by the commission and shall be deposited in the state treasury to the credit of the occupational licenses fund.
- $(\frac{63}{2})$ The moneys collected from the assessment levied pursuant to the provisions of this section shall be in addition to all other revenues and funds received by the commission.
- (74) The promoter shall compute and pay to the commission the required assessment due. If the payment of the assessment is not postmarked or delivered to received by the commission as specified in subsection (1) of this section, the assessment shall be delinquent from such date promoter shall not hold the event.
- (85) Of the moneys collected by the commission pursuant to the tax authorized in subsection (1) of this section, up to five percent (5%) of said tax may be used by the commission for the promotion and support of amateur contests and exhibitions in this state. All parties interested in receiving a distribution must submit an application to the commission which shall include the name of the person or entity applying and a detailed description of what the applicant intends to do with the distribution if granted. The commission shall consider all applications and assign distributions, if any, at the end of each fiscal year to those applicants the commission deems most qualified. The commission may make such distributions only if the commission has a positive balance within the occupational licenses fund and sufficient revenue to cover its projected expenses for the upcoming year.

(9) It shall be the duty of every promoter required to make a gross receipts report and pay any assessment pursuant to the provisions of this section to keep and preserve suitable records and documents which may be necessary to determine the amount of assessment due as will substantiate and prove the accuracy of such reports. All such records shall be preserved for a period of three (3) years, unless the commission, in writing, has authorized their destruction or disposal at an earlier date, and shall be open to examination at any time by the commission or by its authorized agents.

SECTION 6. That Section 54-413, Idaho Code, be, and the same is hereby amended to read as follows:

54-413. SIMULTANEOUS OR CLOSED_CIRCUIT TELECASTS -- REPORT -- TAX ON GROSS RECEIPTS. Every licensee promoter who charges and receives an admission fee for exhibiting a simultaneous telecast of any live, current or spontaneous contest or exhibition on a closed_circuit telecast viewed within this state shall, within seventy-two (72) hours after such event, furnish to the commission a verified gross receipts report on a form which is supplied by the commission showing the number of tickets issued or sold, and the gross receipts therefor without any deductions whatsoever. Such licensee promoter shall also at the same time pay to the commission a tax equal to five percent (5%) of such gross receipts paid for admission to the showing of the contest or exhibition. In no event, however, shall the tax be less than twenty-five dollars (\$25.00). The tax shall apply uniformly at the same rate to all persons subject to the tax.

SECTION 7. That Section 54-419, Idaho Code, be, and the same is hereby amended to read as follows:

54-419. FAILURE TO MAKE INACCURATE STATEMENT AND REPORTS OF EVENT --ADDITIONAL TAX -- NOTICE -- PENALTY FOR DELINQUENCY. Whenever any licensee shall fail to make a report of any contest or exhibition within the time prescribed in this chapter or when such report is unsatisfactory to the commission, It shall be grounds for discipline for a promoter to knowingly make an inaccurate statement or report of event pursuant to section 54-411, Idaho Code. Tthe commission or its agent shall may examine the books and records of such licensee promoter; and may subpoena and examine under oath any officer of such licensee promoter and such other person or persons as may be necessary to determine the total gross receipts from any contest or exhibition and the amount of tax thereon due. If, upon the completion of such examination it shall be determined that an additional tax is due, notice thereof shall be served upon the licensee, promoter and if such licensee promoter shall fail to pay such additional tax within twenty (20) days after service of such notice the delinquent licensee promoter shall forfeit any licenses issued pursuant to this chapter and shall forever be disqualified from receiving any new license and in addition thereto, such licensee promoter shall be liable to this state in the penal sum of ten thousand dollars (\$10,000) to be collected by the attorney general by such action as may be necessary and in the manner provided by law. All moneys collected pursuant to the provisions of this section shall be remitted to the occupational licenses fund.

SECTION 8. That Section 54-420, Idaho Code, be, and the same is hereby amended to read as follows:

- 54-420. PROHIBITIONS -- PENALTIES -- INJUNCTIONS. (1) Any person conducting or participating in contests or exhibitions within this state without first having obtained a license or sanctioning permit in the manner provided in this chapter is in violation of the provisions of this chapter τ excepting such contests excluded from the operation of the provisions of this chapter in section 54-406(3), Idaho Code.
- (2) It is unlawful for any promoter or person associated with or employed by any promoter to destroy any ticket or ticket stub, whether sold or unsold, within three (3) months after the date of any contest or exhibition.
- (3) The striking of any individual who is not a licensed combatant in that particular contest or exhibition shall constitute grounds for suspension, revocation or both of a license issued pursuant to the provisions of this chapter.
- (4) Any person violating any of the provisions of this chapter or the rules of the commission for which no penalty is otherwise herein provided, upon conviction, shall be guilty of a misdemeanor and shall be punished by the imposition of a fine of not more than one thousand dollars (\$1,000) or by incarceration in the county jail for not more than thirty (30) days or by both such fine and incarceration. The commission shall suspend or revoke the license of any person convicted of violating the provisions of this chapter and the rules of the commission.
- (5) In addition to other penalties provided by law if, after a hearing in accordance with the provisions of this chapter and the rules of the commission, the commission shall find any person to be in violation of any of the provisions of this chapter, such person may be subject to an administrative penalty equal to the greater of five hundred dollars (\$500) or one percent (1%) of gross receipts received for each violation. Each day a person is in violation of the provisions of this chapter and the rules of the commission may constitute a separate violation. All administrative penalties collected pursuant to the provisions of this subsection shall be deposited in the state treasury to the occupational licenses fund. Upon the request of the commission or its agent, the attorney general may institute action to enforce the administrative penalties imposed pursuant to this subsection in the district court for Ada county.
- (6) Upon the request of the commission or its agent, the county prosecutor in the county where a violation has occurred or is about to occur may make application to the district court in the county for an order enjoining the acts or practices prohibited by the provisions of this chapter and the rules of the commission, and upon a showing that the person has engaged or is about to engage in any of the prohibited acts or practices, an injunction, restraining order, or other order as may be appropriate shall be granted by the court.